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AUTHOR Olsen, Duane A.
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ABSTRACT

A detailed examination of one agriculturally dependent Nebraska county was conducted to determine the changes believed to be underway as a result of the economic hard times associated with the farm crisis of the early 1980s. Fillmore county, with a 1980 population of 5098, was selected as it derived 25% of its total labor, salary, and proprietary income from agriculture in the 1980-84 period. A partnership was formed between a university research team and a local economic development organization. A telephone survey was completed early in 1988 by 3.5% of the 1980 census population. The results were compiled in two categories: (1) economic behavior patterns; and (2) community characteristics and social participation patterns. Respondents indicated a preference for purchasing goods and services in their hometown and county seat, citing convenience, hometown support, and trust of local merchants. Purchases made outside their hometown or county were associated with the absence or closure of local outlets offering those goods or services. Those responding indicated that 33% of all household goods and 22% of services were purchased outside the county. In terms of rating their community, respondents indicated it was a good place to live and raise children and they would be hesitant to move. Most cited a lack of employment opportunities and industry and felt that economic conditions were worse in 1987 than in 1980. Social participation patterns were closely associated with education and household income levels. Church, veterans organizations, civic, and school activities were prominent in the responses. Consistent with some of the findings of this study, local groups and individuals have taken action. A retail business incubator has been formed and new businesses have been opened based on a local survey of community needs. (ALL)

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Division 27

"Community Psychology and Rural Restructuring"

Part III

"Socioeconomic Transitions in Rural Communities -- The Nebraska Experience"

Duane A. Olsen
Professor & Extension Economist
Department of Agricultural Economics
University of Nebraska
Lincoln, Nebraska, 68583-0922

I. Multi-disciplinary Research & Rural Development Partnership

The wave of economic hard times associated with the "farm crisis" of the early 1980's produced equally profound effects that fell on rural communities. Structural adjustments in Nebraska's "agriculturally dependent" counties were evident in a multi-disciplinary analysis of secondary data. [1] However, the data did not substantiate, nor clearly describe, many of the changes believed to be underway. Therefore a more detailed examination of one agriculturally dependent county was proposed to confirm those results, update our knowledge of on-going social and economic adjustments and explore the responses of rural leaders.

Fillmore County, the agriculturally dependent county selected, derived nearly 25 percent of the county's total labor, salary and proprietary income from agriculture in the 1980-84 period. [2] The total 1980 population, 5098, was scattered around 7 small communities and one population center with about 43 percent of the county's population.

Members of the multi-disciplinary team proposed a partnership to link their research efforts with the interests and insights of local leaders. The existence of a recognized rural development organization with leaders with county-wide linkages was considered essential. A local organization with four years experience was identified. While members stated interests focus on economic development, projects and studies were undertaken with both social as well as economic benefits. While membership is open all county residents, representatives are elected, or if necessary selected, from each community to serve on a board of directors. Funds have been raised through shares of stock, ambassadorships (dues), solicitations and rental income. Regular monthly meetings, subcommittees, regular local news articles and personnal contacts are the principle avenues of communications.

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The local Cooperative Extension office, an arm of the land-grant university, was the avenue through which the local organization leaders were identified and communications links established. They helped organize meetings between researchers and the local organization's executive committee members to:

* Describe the proposed partnership, research objectives, time schedule, inputs requested and expected results.
* Examine the proposed survey and review issues or questions presented to suggest refinements that would sharpen its clarity and focus on mutually important concerns.
* Share results, discuss implications, alternative strategies and suitable action projects.

A telephone survey of household members was completed by 3.5 percent of the county's 1980 population in early 1988. [3] Over half of these respondents were over 55 years of age. The household income of over one-third exceeded 25,000 dollars a year, although 18 percent fell below the $ 10,000 level. Seventy percent of the households with less than $ 10,000 annual income had one person living in them and nearly half of the respondents who were 65 or more fell into this category. Farming was the occupation of 27 percent of the respondents, followed by retirees at 20 percent.

II. Survey Results

A. Economic Behavior Patterns:

Economic development programs direct leaders' attention to jobs and investments but underlying capacity to deal with change is most important. Households, businesses and communities are participants in competitive markets influenced by internal and externally controlled forces.

Changes in the number of farms and farm families, their age, income levels are characteristics of the market area served by rural communities. These structural adjustments have an expected impact on the market rural "main street" merchants serve as well as upon the supporters and clients of community agencies and organizations. However, the growing competition from regional trade centers supplying rural farm and nonfarm household needs for goods and services must also be recognized .

Respondents were asked to describe expenditure patterns for household goods and services. Primary attention was directed to selected groups of household goods and services purchased in their hometown, the county seat and trade-centers outside the county.

Fifty percent of goods and 53 percent of the household services purchased were obtained in respondents' hometown. With a total county population of just 5,000, many purchases outside the 8 "hometowns" of these respondents were expected. The county seat, and primary population center, was where 66 percent of the services and 48 percent of the household goods were obtained.

Gas, groceries, auto repairs, banking services and hardware were the goods and services these respondents were most likely to purchase in their hometown. The portion of clothing purchased elsewhere was notably below the levels reported for furniture and appliances, autos or other goods or services considered.

Respondents preferences for "hometown purchases" was associated with their desire for convenience, hometown support and respondents' knowledge of or trust in local merchants. Reasons given for purchases made "outside" their hometown were associated with the absence or closures of local outlets offering those goods or services, price savings and greater variety.

These respondents purchased 33 percent of their household goods and 22 percent of their services outside the county. Proximity was a factor evident in the prominent role of a trade center in an adjacent county, a distant metropolitan area was prominent in the locational pattern of these outside purchases.

B. Community Characteristics and Social Participation Patterns

While structural changes in agriculture often dominate public attention, other unique and equally important characteristics traditionally attributed to rural communities were addressed including:

* The sense of community, pride and loyalty.
* Friendliness and neighborliness and interaction.
* Mutual support and assistance.
* Reliance on volunteer leadership and group effort.

Respondents described their hometowns as: good places to raise children, where they could turn to someone nearby in times of stress, with friendly people and a small town atmosphere. Six of every 10 said they would not be likely to move away if given the opportunity. The portion was somewhat higher for those under 35 years of age.

Yet, most respondents believed their community was <u>not</u> a "better place than it was 5 years ago". Adverse economic conditions were evident in descriptions problems and concerns confronting their hometown. Over 90 percent agreed employment opportunities were limited and the lack of industry was a widely shared hometown problem or concern. Two-thirds of the respondents felt economic conditions were worse in 1987 than 1980.

Rural communities have traditionally been characterized as places with a certain neighborliness. Close associations and frequent communications limit privacy while maintaining real and fancied behavioral standards and a system of informal social safety nets. Security and mutual support continues to distinguish rural communities in the minds of rural residents and many observers, perhaps in part, because of the absence of publicly or privately funded alternatives.

A descriptive assessment of social participation patterns was provided by the respondents from this "agriculturally dependent" central Nebraska county. They were asked to identify the organizations, groups or activities in which they regularly participate and accept leadership roles.

Over 77 percent of the respondents described their regular participation patterns. The number of organizations, groups or activities respondents identified was closely associated with respondents education and household income levels.

The importance of the church was clearly evident in the participation patterns described by these respondents. Other activities common to rural Nebraska communities, such as veterans organizations, civic and school activities, were also prominent in their lives. However, respondent's participation patterns also reflected a diversity that appeared to extend well beyond social networks usually associated with rural communities.

Leadership development programs are frequently proposed for rural revitalization to cope with adjustments associated with rapid change. Less than half of these respondents had served as an elected or appointed leader in the group most important to them. Never-the-less the willingness to accept leadership responsibilities was evident across all age groups with a clear reduction among those 65 and older.

III. Local Progress Report:

Both internal and external factors influence community development activities, therefore the linkage between this research project and subsequent action programs must be evaluated cautiously. Further, local resources are often inadequate to address issues or relationships described with a short period. None-the-less group and individual proposals and actions consistent with the direction or the emphasis indicated by reported research have become apparent.

A retail "Business Incubator" has been formed in a vacant building formerly owned by a local bank. Twenty-one business were established by budding entrepreneurs who were offered subsidized or donated space, cleaning, bookkeeping and certain administrative services. While such "incubators" often have graduation policies to move firms out to other quarters, these firms formed their own association and bought the building.

A local survey titled "Excavating Entrepreneurs" was undertaken to discover consumer needs that might be turned into feasible economic opportunities for new or existing local businesses. Forty-two opportunities were identified and described by participants. Ten of the ideas described have been implemented into existing businesses or by new entrepreneurs.

Several other studies of economic and social concerns or opportunities have been undertaken. These studies, and subsequent activities, drew upon "outside" resources and the expertise of university faculty from regional planning, business and other disciplines. The importance of a receptive local organization with progressive, assertive leadership has invited and/or attracted specialized resources that ultimately have produced actions for both group and individual attention.

Informal internal evaluations and outside studies have pointed out local volunteers' limited capacity to explore the strengths or weaknesses of recommended alternatives. Volunteer leaders' competing demands and limited capacity have been recognized and a paid staff position proposed to coordinate their efforts. Funds have been raised, a job description prepared and a policy statement is being developed. Plans call for programs to direct attention in the organization of a venture capital club, educational resources to investigate nuclear or hazardous waste disposal facilities, county-wide strategic planning and leadership training.

IV. Multi-Disciplinary Lessons

This project has combined two vantage points - one focused on multi-disciplinary interests of university faculty and the second on interests of representatives from rural communities under-going substantial adjustments. A partnership was formed to firm up their mutual commitment, coordination and communication procedures. While no formal guidelines or agreements were developed or adopted, relations were maintained and satisfactory progress achieved. Rural representatives helped review, clarify and minimize gaps in issues addressed by survey questions. Research results were presented and their contribution to researcher's analysis and local leaders' plans discussed.

While communications were generally adequate, competing obligations of both researchers and local leaders have revealed some unanticipated coordination problems. Certain delays occurred in research progress and communications of the results that may be attributed, in part, to competing obligations of both researchers and local representatives. However, a recently funded local proposal appears to address the desire of volunteer local leaders to minimize such gaps or delays with additional professional assistance.

Coordination was evident in the formation of a county-wide organization. While some conventional jealousy and competition remain among these rural communities, progress has been evident. However, a somewhat different form of coordination in outside linkages with agencies or private organizations is evident. The importance of both satisfactory relations and progress have been clear to both coordination at the horizontal, or local level as well as with specialized vertical networks.

Finally, the on-going activities and recent progress of the county-wide development organization reflect members' primary attention to economic development. Yet, our analysis revealed potential serious social and economic conditions within households that economic development efforts may not fully address. Nearly 23 percent of the respondents were unable or unwilling to identify any groups, organizations or activities in which they regularly participate. Eighteen percent of all respondents relied on annual household incomes below $ 10,000. Seventy percent of these households had one person in them and nearly half were 65 or more.

Limited attention appears to have been given to emerging gaps or required adjustments in social safety nets traditionally associated with rural communities. Multi-disciplinary research provides added opportunities and the obligation to further describe changes in the underlying social "safety nets" and the needs of these residents.

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